

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Workers' Compensation Costs - Fiscal Year 2007/2008	REFERENCE NUMBER: 2008-031
DATE ISSUED: 09/19/08	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Personnel Transaction Specialists
Return to Work Coordinators
Workers' Compensation Claims Coordinators
Health and Safety Officers**

FROM: Department of Personnel Administration
Benefits Division

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Workers' Compensation payment data for Fiscal Year 2007/2008 by State department is now available on the Department of Personnel Administration's Web site:
<http://www.dpa.ca.gov/benefits/workers-comp/main.htm>

The State's Fiscal Year 2007/2008 total workers' compensation costs were \$460 million, or 3.10 percent of payroll. This represents a decrease of \$5.8 million from last year's costs. Total payroll increased \$987 million from Fiscal Year 2006/2007. The State's workers' compensation costs as a percentage of total payroll decreased from 3.36 percent to 3.10 percent.

Specific cost differences:

Temporary Disability Benefits	\$3.5 million decrease	-8% difference
Permanent Disability Benefits	\$9.3 million decrease	-9% difference
Vocational Rehabilitation Benefits	\$2.6 million decrease	-39% difference
Supplemental Job Displacement Benefits	\$0.2 million increase	+115% difference
Medical Benefits	\$2.5 million increase	+1.5% difference
Master Agreement Service Fees	\$4 million increase	+5% difference
Industrial Disability Benefits	\$1.7 million increase	+3% difference
Labor Code 4800/4800.5 Benefits	\$1.1 million increase	+19% difference
Policy Premiums	\$0.1 million increase	+3% difference
Total Paid Costs	\$5.8 million decrease	-1% difference

The total inventory of open claims was virtually unchanged at 42,566 as of June 2008. The total number of open claims in June 2007 was 42,562.

/s/Greg Beatty

Greg Beatty, Chief
Benefits Division